

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 466 - SB 461

February 28, 2011

SUMMARY OF BILL: Requires municipalities to record an annexation ordinance or resolution with the register of deeds in the county or counties where adopted or approved and to send a copy of the ordinance or resolution to the Comptroller of the Treasury and the assessor of property for each affected county.

ESTIMATED FISCAL IMPACT:

Increase Local Expenditures – \$2,400*

Assumptions:

- According to the Comptroller, the Register of Deeds's recording fees are \$12 for the first two pages and \$2 for every additional page. Annexation ordinances are approximately two pages.
- According to a March 1999 study conducted by the Tennessee Advisory Commission on Intergovernmental Relations, on average local governments approved 203 annexation ordinances annually between 1980 and 1995. There are no more current data available to determine the average number of annual annexations.
- Requiring municipalities to record ordinances with the appropriate register of deeds will result in an increase to local government expenditures of approximately \$2,436 (203 x \$12).

- Requiring municipalities to send a copy of the ordinance or resolution to the Comptroller and property assessor will have a not significant fiscal impact on local government.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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